

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

SIEBERT GROUP, LLC,

Plaintiff,

v.

**NOVAD MANAGEMENT CONSULTING,
LLC, et al.,**

Defendants.

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Case No: 16 C 4482

MEMORANDUM ORDER

This quiet title action brought by Siebert Group, LLC ("Siebert") in the Circuit Court of Cook County was then removed to this federal District Court by defendant Secretary of the United States Department of Housing and Urban Development ("HUD"), exercising the federal government's right of removal under 28 U.S.C. §§ 1442(a)(1) and 1444. But simultaneously with that action, HUD's Notice of Removal ("Notice") ¶ 6 states:

The complaint should be dismissed for failure to state a claim because the copy of the purported mortgage release that Siebert bases its quiet title claim upon does not reference or release HUD's primary mortgage that was recorded on October 14, 2003 with the Cook County Recorder of Deeds as document no. 0328722001. Ex. 1, Compl. at 2; at Ex. A.

That contention by HUD has been anticipated by Siebert's counsel, for the underlying removed action has asserted in Complaint ¶ 8 that HUD's ownership via assignment of both a first and second mortgage on the real estate at issue has resulted in a merger as a matter of law, so that Complaint ¶ 10 alleges that the February 3, 2014 release of the second mortgage also operated to release the first mortgage. Because that contention is inconsistent with the literal language of the release (Ex. A to the Notice), it is hereby ordered that:

1. May 16, 2016 at 9:30 a.m. is set as a status hearing date and time in this action.
2. On or before May 12 each side shall file a short list (not a memorandum containing argument) of the principal authorities relied on to support its position as to the effect or lack of effect of the release on the first mortgage referred to earlier.
3. Not later than noon on May 12 each side shall deliver to this Court's chambers a paper copy of the list referred to in paragraph 2, together with photocopies of the authorities referred to in that list.

This Court may, if appropriate, resolve the disputed issue at the May 16 status hearing or, if not, will determine what further proceedings are required to resolve that dispositive question.



Milton I. Shadur
Senior United States District Judge

Date: April 27, 2016